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REVIEW OF THE MONTH

THE EDITORS

VOL. 2

THE AMERICAN ECONOMY AND THE THREAT OF WAR

PAUL M. SWEEZY

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FREEDOM UNDER SOCIALISM

HOWARD KAMINSKY

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NOTES FROM THE EDITORS

The Matthiessen Memorial issue (October) is being mailed out to subscribers just as we are about to go to press with the November issue. We apologize for the delay; printing and binding such a large number took longer than we had anticipated.

We have as yet, of course, no report to make on the response to the appeal for financial support which accompanied the Memorial issue. One of our readers, however, has already made what seems to us a very good suggestion. He believes that some people who may not be in a position to make a substantial lump-sum contribution may nevertheless be able to set aside \$1 or \$2 a month for a twelve-month period to help keep MR going. We would,

(continued on inside back cover)

THE PROBLEM IS PEACE

After his victory over the Romans at Asculum, King Pyrrhus of Epirus is supposed to have declared: "One more such victory and I am lost." It is exactly what the American people should be saying on the morrow of their military triumph in Korea.

We have "saved" Korea from Communism, and in the process we have smashed up the industry and communications of the country and have lost the moral respect of a large part of the population of Asia. We have proved that the United States is mightier than North Korea, and in so doing we have convinced many people throughout the world that we know a lot about waging war but very little about making peace. We have spurned what may be the last chance for a long time of reaching a negotiated settlement of the Korean question by sending our forces across the 38th Parallel and rejecting the Indian offer of mediation.

Many Americans seem to think that at any rate the Korean affair is drawing to a close, but even this is unlikely. The view expressed by Walter Lippmann in his column of October 3rd "The Second Korean War?" is much more realistic:

What has happened since the recapture of Seoul does not make it look as if peace in Korea were very near at hand. Open warfare of the western classic type is probably over. It has ended in a swift and brilliant strategic victory. But almost certainly this orthodox war is to be followed, as Mr. Walter Sullivan [correspondent of the *New York Times*] contends, by guerilla war. If that is the case, then it may be a very long time before a united Korean government can be established. It may be an unpleasantly long time before the American troops can be relieved, and before the American military commitment in Korea can be reduced to a more reasonable size.

Saying "I told you so" is hardly ever pleasant these days, but sometimes it may serve the useful purpose of reminding people that the grim things that are happening could be foreseen and are not simply to be attributed to a cruel fate. Three months ago, we wrote:

About the most that American arms can hope to achieve is a precarious military occupation of Korea which could be

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maintained only by continuous and endless campaigns along the lines that the French have been fighting in Indo-China and the British in Malaya for the last several years. . . . In France, the Indo-Chinese war is widely known as *la sale guerre*, the dirty war and the name is all too appropriate. The best the United States can hope for in Korea is to acquire its own dirty war. (MR, August, p. 109.)

Well, now we have our dirty war. Most Americans will probably soon forget it—except as they may be reminded by small items on the inside pages of their newspapers about the cutting of a railroad line, the ambushing of a convoy, or the bombing of a village suspected of harboring guerrillas. To a few Americans, however, it will continue to seem important, very important—to the soldiers who are doing the fighting and to their "nearest of kin."

And so the scene shifts from a close-up of Korea back to the general panorama of international relations and the Cold War. There have been changes in the four months since the Korean fighting started. In this country appropriations for war preparations have been roughly doubled. Talk about the economic reconstruction of western Europe has largely given way to plans for rearming. Nowhere are the changes more clearly visible than in Germany. Adenauer and company believe that the days of military glory are rapidly returning, and the whole life of the Bonn Republic is slipping easily into the new groove. Says Carolus, the *Nation's* well-informed western German correspondent:

Returning to Germany after four weeks abroad I can scarcely recognize my country. Is this the same West German state; are these the same politicians, the same newspapers, the same parties? No one talks now about the Schuman plan, about German consulates in foreign countries, about the unemployed and the price of bread, about former Nazis and the law for the defence of democracy. No high commissioner of the occupying powers raises a warning finger against industrial cartels, or urges further dismantlings, or demands a house-cleaning in the IG Farben trust. As a small manufacturer who was on the train with me said, "At last German is being spoken in Germany again." (*The Nation*, October 7, p. 312.)

Nor are changes in Germany confined to the west. In the East German Republic a large paramilitary police force is being trained and equipped, and apparently nearly all of the high officials who spent the Nazi period in the West are being jailed or removed from positions of responsibility as poor security risks.

No one can say that the Cold War isn't flourishing.

At the same time, however, it would be a mistake to suppose

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that everything that has happened since the beginning of the Korean fighting has been bad. Those who believe in the possibility of peace must also look for hopeful signs, and when they find such signs they must try to judge them at their true value to the struggle for peace.

The most encouraging thing that has happened is the receding, at least for the moment, of the threat of war between the United States and China. The Truman administration, having plunged—probably largely for domestic political reasons—into the commitment to keep Formosa out of the hands of the genuine Chinese government, seems to have discovered that it was trying to buy the support of intransigent Republicans at the expense of alienating most of the world. The Indian position on this question has been forthright and salutary, and for once the British Labor government seems to have dared to assert a modicum of independence—we could wish, incidentally that our British friends would learn the lesson that influence and independence go together. As a consequence, Truman moderated his original stand on Formosa, put at least a temporary check on MacArthur's rabidly annexationist policy, and prepared the way for a possible (though, let it be emphasized, still far from certain) retreat from the whole Formosa mess.

This is not the only hopeful sign in the United States. The doctrine of preventive war, the dangerous implications of which it is impossible to overestimate, received a setback during the last two months, after a period of hothouse growth in the early stages of the Korean fighting. Secretary of the Navy Matthews was rebuked by Truman and Acheson for his "aggression for peace" speech last summer; General Anderson was removed as head of the Air War College for expressing similar sentiments in a published interview; General Marshall, a military realist, has replaced Johnson as Secretary of Defense after the latter had become widely known as an advocate of preventive war; and Acheson, in his Freedom House speech on October 8th, went out of his way to assure the American people—and no doubt America's allies abroad—that the administration is aware of the dangers of preventive-war talk. It would be easier to believe in the firmness of purpose of Truman and Acheson if they had been as energetic in acting against Matthews as Truman and Byrnes were against Henry Wallace for advocating an agreement with Russia back in 1946; but nowadays we should be grateful for even small favors. What all this shows is that the Centrists still have the upper hand in matters of foreign policy; and that, while they have as yet shown no signs whatever of knowing how to, or even of wanting to, make peace, they are not anxious to plunge the world into another global war.

On the other side of the Cold War, too, recent months have wit-

nessed certain encouraging developments. Despite extreme provocations in Korea and Formosa—provocations of a kind which, had they been committed against the United States, let us say in Mexico or Cuba, would almost certainly have led to war—the Russians and the Chinese have remained calm and have proved pretty convincingly that if a general war is to start, at any rate they are not going to be the ones to start it. Moreover, by announcing a series of vast hydro-electric and irrigation projects, the Russians have served notice on the world that they do not expect to be involved in any kind of war, not even one started by some one else, for a long time to come. And finally, the Soviet-led bloc of nations in the UN General Assembly, far from seizing the opportunities offered by the Far Eastern situation for aggravating international tensions, has obviously been looking for ways to relax them.

Thus the situation we face in this autumn of 1950 is grim but not hopeless. Korea has shown that we long ago left the bright sunshine of international peace and have been descending into the gathering darkness of global war. But it also shows that on both sides of the international fence the forces opposing the descent are strong and stubborn beyond most previous calculations. What we ought to do now is not merely seek to erect further roadblocks on the way down, but begin to look for a place to turn around, a place from which the long climb back can be started.

The climb is a long one, and it is hardly useful now even to try to visualize its whole course. But it is very important that we should make every effort to be clear on the immediate steps and that we should do all we can to educate public opinion to the necessity of taking those steps and not ones leading further into the abyss.

The main danger zone remains the Far East. There the revolutionary tide is rising and will go on rising for a long time to come. What is most urgently needed is that the United States should stop trying to play the role of a modern King Canute ordering the tide to subside and should adopt a policy of adjustment and accommodation. The way to make the shift, moreover, is perfectly clear. The United States should allow and encourage India—which for overwhelming reasons of national interest and security is now playing the role of a genuine “third force” in Asia—to take the lead in working out a Far Eastern settlement. (We should perhaps state our general position in this connection: there is nothing wrong with the idea of a third force; what is wrong, and dishonest to boot, is to call yourself a third force while actually taking the position of the first force in every conflict with the second force.) On most of the immediate and urgent issues, India has taken a sensible position which, if it weren’t for the intransigent opposition of the United States, would probably com-

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mand a good majority in the UN. All along, the Indians have understood that no stable solution is possible in Korea which does not take full account of the legitimate interests of Korea's Chinese and Russian neighbors; hence the Indians offered to mediate at the beginning of hostilities and renewed the proposal in a somewhat different form when the American forces reached the 38th Parallel. The Indians understand what has happened in China and long ago recognized it publicly; since then, they have consistently worked to get the new China into the UN. The Indians know French rule in Indo-China for what it is, a cruel and corrupt brand of colonialism; and they have refused to have any truck with the French regime or its native puppets.

How can it possibly be denied that the Indians are right on all these issues, and that this fact must be recognized by the United States as a prelude to any general relaxation of international tensions?

What alternative course of action does the American government propose? We can gather some clues from Mr. Acheson's speech of October 8th. Mr. Acheson's argument runs somewhat as follows: We can't negotiate anything now. The Russians are too strong for us. What we have to do is build up our own and our allies' military might, to create "areas of strength" all over the world where now there are areas of weakness. Eventually,

as the strength and durability of the free nations bite into the consciousness of the Soviet leaders, some modification of their determination to achieve world domination could follow. This would open a door on many possibilities for the peaceful adjustment of differences. This process of adjustment is the purpose of our efforts. (*New York Times*, October 9, 1950.)

In other words, we will go on arming and putting down revolutions and civil wars wherever they occur until—until what? Well, it's a little hard to say. Until the Russians are ready to join with us in restoring Chiang Kai-shek to power? Until they publicly acknowledge that Syngman Rhee is a great patriot and democrat? Until they agree to send ten divisions to help France "restore order" in Indo-China? Until they give up the veto and let Mr. Austin cast their vote for them in the Security Council? Until they renounce the heretical theory that it was the Ruhr industrialists and the East Elbian Junkers who put Hitler in power and sent him forth to conquer the lands and murder the people of Russia?

Mr. Acheson may say that these are not the American demands on Russia. Well, then, what are? It seems to us that peace is the problem and that the American people are entitled to know the terms on which their government hopes to achieve it—especially since

it is supposed to come through "a process of adjustment" which can be entered upon only after we have armed half the world to the teeth and bombed heaven knows how many Koreas practically off the map.

Pending further clarification from Mr. Acheson, we are naive enough not to be able to see why negotiations shouldn't be started right away—not on Stalin's terms, but on Nehru's—not about everything under the sun, but about the specific Far Eastern issues which brought on the present grave crisis and about which it is obvious that something must be done if the crisis is to be overcome.

FASCISM IN THE UNITED STATES?

The reactionary tide is running high, and the number of its victims is rapidly growing. Already many people have been arrested, haled before the courts, and thrown into jail though they have done nothing that could remotely be suspected of criminality. And now comes the McCarran Bill, that legislative monstrosity that threatens to bring under the proscription of the law anyone who finds serious fault with the *status quo*—in other words just about everyone who looks beneath the surface and insists on thinking for himself.

The McCarran Bill certainly deserves all the condemnation it has received. But condemnation is not enough; it is no substitute for political analysis. It is time to try to see what is happening in this country not merely in terms of disaster—an attitude which breeds despair and helplessness—but as part of an intelligible historical process which, once comprehended, can be rationally dealt with. The article in this issue entitled "The American Economy and the Threat of War" gives some fundamental background analysis. In this note, we want to address ourselves to a somewhat different, though of course not unrelated, question: Does the McCarran Bill mean that fascism has come to the United States?

In one sense, clearly, the answer you give to this question depends on your definition of fascism. If fascism is used as a synonym for black reaction—witch hunting, vigilanteism, jailing of radicals, persecution of dissenting opinions—then we have it in this country now, just as we had it in the period of the Palmer raids after World War I. But if fascism means a political counter-revolution such as occurred in Italy during the twenties and in Germany during the thirties, the problem is not so simple.

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What are the main characteristics of fascism in this second sense?

First, it arises in a country with a bourgeois-democratic form of government and a strong anti-capitalist labor movement.

Second, it is backed by, and serves the interests of, the decisive sectors of the ruling class.

Third, its chief purpose in domestic affairs is to smash up the whole apparatus of bourgeois democracy, reduce the labor movement to impotence, and institute a one-party dictatorship with a monopoly of the means of propaganda and force.

Fourth, its chief purpose in foreign affairs is to free the state from the restraints put upon it, through the methods and institutions of bourgeois democracy, by a pacifist, anti-imperialist public opinion.

Now certain things follow from this characterization of fascism. It is *not* the antithesis of capitalism—as many liberals still believe—but it is the antithesis of bourgeois democracy, and the essence of bourgeois democracy is not “freedom” in general, or even the protection of the civil rights of minorities, but free competition among two or more political parties for votes and political office. (The clearest proof of this, incidentally, is that the United States is almost universally conceded to be a bourgeois democracy in spite of its widespread denial of civil rights to Negroes. But it would be easy to multiply almost endlessly the cases in which bourgeois democracies have flagrantly violated the rights of minorities. The truth is that a definition of bourgeois democracy which turns on the rights enjoyed by citizens rather than on the form of government has no analytical value whatever.) Fascism certainly does persecute minorities (it even persecutes majorities), but what makes it really and totally incompatible with bourgeois democracy is the fact that it suppresses and replaces the multi-party *system*. And in so doing it turns the *political* life of the country upside down: in particular it changes the conditions, the methods, and the aims of any and all opposition to the government in power.

Under bourgeois democracy, even the parties which are most revolutionary in terms of their long-range goals necessarily adopt and make full use of the methods of political struggle which bourgeois democracy affords. By contrast, under fascism opposition *as such* becomes illegal and, if it persists, must become revolutionary in the most immediate political sense of the word. These points are of crucial importance. Their truth can perhaps best be appreciated if we recall on the one hand that the only serious opposition movement in the later years of Hitler Germany was the revolutionary plot which culminated in the attempted *coup d'état* of July 20, 1944, and which was led by impeccably conservative elements; and on the other hand

that in all genuine bourgeois democracies Communist Parties have, whatever they may have intended at the outset, soon found themselves "playing the parliamentary game."

The advent of fascism, then, forces political life into altogether new channels. It is no longer possible for any one but the party in power to attempt to create and manipulate public opinion, nor would such an attempt still have the purpose it has under bourgeois democracy—to lay the foundation for success at the polls. All opposition goes underground and is obliged willy-nilly to become conspiratorial and subversive; every persistent oppositionist is turned into a revolutionary.

Are these the conditions which will be created by the McCarran Bill, assuming that it is enforced with full vigor and upheld by the courts?

Obviously not.

The McCarran Bill does *not* outlaw all opposition. It *attempts* to outlaw the opposition of Communists and those who are in any way sympathetic to Communism. It will almost certainly *not* succeed in outlawing even this opposition, though it will, of course, harrass it, hamper its activities, and may succeed in jailing that part of its leadership—and even membership—which can be clearly identified on the basis of past activities. But as long as any opposition is possible, Communists and other radicals will adapt themselves to the conditions of legality and will go on opposing. President Truman was not talking nonsense when he said in his veto message that "the net result of the registration provisions of this bill would probably be an endless chasing of one organization after another, with the Communists always able to frustrate the law enforcement agencies and prevent any final result from being achieved." But even if all organizations formed by Communists were successfully suppressed, and all present Communists were put in jail, there would be nothing to prevent future Communists from working in the Democratic and Republican parties to oust incumbent officeholders and to bring the policies of those parties at least a little closer to what the Communists want. And they would undoubtedly—and perfectly justifiably—do just that. The truth is that it is not possible to wipe out one kind of opposition without wiping out all opposition. This is a law of political science which both revolutionary and counter-revolutionary regimes have invariably discovered, if they did not already know it when they came to power. The sponsors and backers of the McCarran Bill will find it out in due course.

When they do find it out, will they then move to outlaw *all* opposition? This would be fascism on the Italian and German model, and it could be done, at least in theory, by a coalition of parties which

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agreed to renounce opposition to the regime in power and to share political office according to some mutually acceptable formula. Nevertheless, unless conditions change quite drastically, it seems unlikely that a serious move toward this type of fascism will get under way in the near future. The reason for this can be most easily grasped if we look a little closer at certain key aspects of the Italian and German cases. In those countries the ruling classes felt themselves to be crippled by bourgeois democracy, and they struck out at it through fascist movements. But it was not really bourgeois democracy as such which was threatening their interests and their position; it was the socialist working class movement which was able to make use of the methods of bourgeois democracy and to capitalize on the openings it provided for effectively opposing ruling-class policies. Where, as in this country, there is very little socialism and the working class is still willing to accept capitalist ideology and leadership, the ruling class harbors no hostility to bourgeois democracy and feels no incentive to back a fascist movement. (Without ruling-class backing, of course, fascism has no chance: the idea that fascism is the "revolution of the lower-middle class"—in anything but sedulously cultivated appearance—is poppycock.)

The fact is that at the present time neither Communism nor the working-class movement poses a significant threat to the interests of the American ruling class; and as long as this is the case, the ruling class is not likely to experiment with something which, even from its own point of view, is as costly and troublesome as fascism.

But, some readers are probably asking, doesn't this reasoning prove too much? If the ruling class is really not threatened, why the attempt to suppress Communism? Doesn't this attempt, by its very existence, prove that even in this country Communism does constitute an effective check on the ambitions and policies of the ruling class?

Wait a minute! We never said that the ruling class isn't threatened. It *is* threatened, only not by Communism or the American working-class movement—not yet anyway. It is threatened, and mortally threatened, by its own inability to comprehend, much less cope with, the expanding contradictions of a contracting world capitalist system. But *this* threat it cannot acknowledge, even to itself. It must assume, and it must persuade the American people to believe, that the danger comes not from the dying capitalist system but from a limitlessly wicked foe with headquarters in the Kremlin and agents everywhere, including every town and hamlet in the United States. To whip up hysteria against this foe and in this way to divert attention from the fundamental issues, to prevent the American people from seeing the truth which would mean the end of ruling-class power and privileges—these are the underlying reasons for the per-

secution of Communism in this country today. And this persecution can take place, and at least up to now is taking place, within the traditional framework of bourgeois democracy.

The implications of this analysis must not be misunderstood. There is no implication of opposition to the development of a socialist working-class movement. But there is an inherent warning to *every* socialist working-class movement that it cannot count on realizing all its aims through the methods of bourgeois democracy: the nearer it comes to success, the greater the danger of a fascist counter-revolution. Moreover, there is a warning—especially needed in this country, and more than anywhere else on the Left—against the overidealization of bourgeois democracy. Let us pursue this a bit further.

Bourgeois democracy (or any other kind of democracy, for that matter) is not synonymous with, nor does it imply, nor does it guarantee, civil rights for all. It is essentially government by free competition for votes, the counterpart of free competition for profits in the economic sphere. Such a system of government, as our own Founding Fathers knew very well, can easily lead to excesses of various kinds, especially to callous and often brutal treatment of unpopular minorities. The Founding Fathers put various devices into the Constitution—the separation of powers, constitutional review by the Supreme Court, and so on—which they hoped would protect the minorities which they happened to belong to. The masses (insofar as you can speak of masses at that period) insisted on writing the Bill of Rights into the Constitution to protect *their* hard-won rights. But it is historical nonsense to assert that either or both of these features of our particular Constitution is the essence of bourgeois democracy. The essence of bourgeois democracy, we repeat, is government by competition for votes, and if any party or collection of parties has the votes—and can hold on to them—it can sooner or later override all constitutional protections. Translated into present-day terms, what this means is that if the Democratic and Republican Parties want to deprive Communists of their political rights, if they want to institute a regime of thought control and secret police, they can do so without necessarily scrapping bourgeois democracy. If public opinion is with them—and that means if enough people want it that way or can be made to believe they want it that way or don't care whether it's that way or not—then that's all there is to it, and screaming won't change it.

All of which means that those who *don't* want it that way should, before it is too late, wake up to their real task. And that is, very simply, to get enough public opinion on *their* side so that they will be able to make their influence felt on the formation of national and international policies. The essence of politics in a bourgeois democ-

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racy is the struggle for public opinion. Either the American Left learns how to conduct that struggle effectively or else it fails. And the penalties for failure are growing every day—as the McCarran Bill shows.

"THE LIFELOOD OF DEMOCRACY"

A new conservative, not to say reactionary, magazine has entered the ranks of American journalism: *The Freeman*, edited by John Chamberlain and Henry Hazlitt. The august *New York Times*, in extending a hearty welcome to the new arrival on its editorial page of October 7th, stated its political philosophy in the following terms:

Difference of opinion makes more than a horse race; it is the lifeblood of democracy. For a goverment can hardly be representative of the people's will unless the people have a will. And to reach intelligent conclusions, there must be freedom to exchange views, to debate matters of public interest, to convince and be convinced. Clash of ideas, discussion and decision—these are all elemental to democratic government.

Sounds good, doesn't it? But does the *Times* really mean it, or is this so much fine talk for the birds?

Suppose you wanted to make a test of the *Times*'s sincerity. You would probably reason that the best way would be to get some recognized expert to write to the *Times* expressing views radically different from those set forth in the paper's own editorial page. If the *Times* printed the letter, you would probably conclude that it really does have some respect for differences of opinion. But if it rejected the letter—well, you probably have your own word for people who talk one way and act another.

Now, as it happens, this very test was made not so long before the *Times* delivered itself of its weighty pronouncement on "the lifeblood of democracy." During the summer, when the Korean crisis was at its height, Professor Arthur K. Davis sent a letter to the *Times*. Professor Davis is a sociologist of sound repute; in fact, he is chairman of the Department of Sociology at Union College. You would probably agree that he is the kind of person whose views are worth attending to and ought to be put before the public. They are certainly at variance with the views of the *Times*. So that you can judge the whole case for yourself, we reproduce the letter here:

The Korean crisis shows the imperative need to add a sociological dimension to our thinking. Our ignorance of social pro-

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cesses may well cause not just another world war but our defeat therein. If the former prospect troubles few Americans, perhaps the latter is serious enough to justify printing this warning analysis.

We have no widespread realistic idea of the social revolution now going on in Eurasian peasant societies. The decline of these subsistence economies began a century ago, and it is now speeding into its final stages impelled by acute rural overpopulation. The one possible solution is industrialization, especially of agriculture.

Because of the extreme crisis, industrializing east Europe and Asia will be largely by state planning. Industrialism could come slowly in the West, but the East has neither the time nor the other resources, like empty lands, for cushioning social change. Another hard fact we overlook is Asiatic nationalism. It will preclude western guidance of Asiatic industrialization and eventually expel the West entirely.

To assert as we do that world unrest is exported from Moscow is absurd. The unrest long antedates the Soviet state. Communism itself is a response to that same stress, and its appeal to impoverished peasantries is due to its program of industrialization, social reorganization, and anti-colonialism.

Having experienced the same kind of revolution, the Russians understand far better than we do the social forces now moving Asia. They capitalize upon those movements. But they can neither create nor revoke them. Our belief that Communist nations are enslaved by coercive minorities seems belied by the fanaticism with which the Russians, Chinese, and Koreans fight for their Communist leaders.

Why has nothing we have built in Asia stood on its own feet when tested? Clearly because we tried the impossible. Neither armies nor dollars can save these gentry-peasant economies, for they are obsolete and crumbling everywhere. Yesterday China, today Korea. Tomorrow Iran, Indo-China, Greece—this list is appallingly incomplete.

We tacitly assume that if World War III comes we can win in a walk by strategic bombing. Yet the USAAF Strategic Bombing Surveys of the last war permit no such conclusion. A more realistic estimate is that we cannot win World War III if it is waged outside North America. This continent can be held: here exists no discontented mass which gives Communism its power. But we cannot reverse the social revolution abroad. We can only push it into the hands of its extremists. Assailing the Communist heartland with its fanatical guerilla populations will drain our blood and treasure down an endless rathole and expose North America to successful attack.

Continuing our Korean war, so hastily entered, can therefore bring us little but disaster. Mediation by India is our best

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out. Let us not be lulled by the array of governments beside us. Their aid can scarcely be more than token, for their economies are cracking and many of their peoples are disaffected.

We entirely misjudge the three decisive forces in Asia—the social revolution, nationalism, and hatred of the white man's racism. Yet the facts are available in many scholarly works, none printed in Moscow. Then is it simply ignorance that troubles us? I think not entirely. The trouble lies far deeper.

The *Times* returned the letter to Professor Davis with the following polite note: "We appreciate the courtesy and interest that prompted you to send us the enclosed contribution, but regret our inability to make use of it." The note was dated September 5. On that day the *Times* ran two political letters, one by a renegade Polish diplomat under the title "Soviet Abuse of U.N. Veto," the other by a person who, disclaiming expertness, argued that there is no moral objection to making an alliance with Franco Spain if that happens to be the expedient thing to do.

Professor Davis next sent the letter to the *Herald-Tribune*, which also rejected it.

We don't know what your conclusion will be. Ours was that, granting difference of opinion to be the "lifeblood of democracy," if papers like the *Times* and *Herald-Tribune* are the main arteries through which that lifeblood must run, then democracy is already suffering from an advanced case of arteriosclerosis.

The moral is surely plain. If the public is to have access to intelligent and well-informed dissenting views such as those of Professor Davis, then the Left must do much more than it ever has before to build up a high-class, readable press of its own.

(October 15, 1950)

We have had to throw freedom of contract to the winds to save the working classes from extermination as a result of "free" contracts between penniless fathers of starving children and rich employers. Freedom of the Press is hardly less illusory when the Press belongs to the slaveowners of the nation; and not a single journalist is really free.

—George Bernard Shaw

THE AMERICAN ECONOMY AND THE THREAT OF WAR

BY PAUL M. SWEZY

If we concentrate attention on the international scene we can distinguish four stages in the development of capitalism which may, for the sake of convenience, be designated as mercantilism, competitive industrialism, the first stage of imperialism, and the second stage of imperialism. Mercantilism lasted from the beginnings of capitalism until roughly the nineteenth century; competitive industrialism dominated most of the nineteenth century; the first stage of imperialism began in the last quarter of the nineteenth century and came to an end with World War II; and we are now in the second stage of imperialism. The first three of these stages have been extensively studied and analyzed. The fourth is still relatively new, and while the amount of material dealing with it is enormous, I think it is fair to say that it has not yet produced very much in the way of systematic analysis. The essential purpose of this essay might be described as to bring into clear focus some of the major issues and problems of this fourth stage of capitalism.

The third stage of capitalism (first stage of imperialism) was characterized by a high degree of development of monopoly in a number of the advanced countries and by a struggle among these advanced countries to divide the world. The first climax of this struggle was World War I which created the conditions for the emergence of socialism in one of the great powers. In the interwar period, socialism played an increasingly important international role, but it remained on the whole "an island in the ocean of imperialism."¹ The central struggle remained that among the imperialist powers, with the defeated and disappointed powers of World War I striving for a redivision of the world in their favor. The second climax of the imperialist struggle was World War II which, however, led to such far-reaching changes in the international situation as to justify us in speaking of a qualitatively new stage of imperialism in the postwar period.

This new stage of imperialism, of course, has many distinguishing characteristics, and in a sense any short list is arbitrary. With this qualification in mind, I suggest that the following indicate its basic

1. The phrase is Stalin's in "The October Revolution and the Tactics of the Russian Communists" (1924).

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nature: (1) One capitalist power (the United States) is much more powerful, both economically and militarily, than all the others combined. (2) It follows that while conflicts of interest among the imperialist powers exist they are not likely to lead to major wars. (3) Socialism is no longer "an island in the ocean of imperialism"; it is now a functioning system of states which includes approximately a third of the world's population. (4) World capitalism under the leadership of the United States and world socialism under the leadership of the Soviet Union are competing for the allegiance of a whole series of states. (5) This competition cuts right across the two systems, but at least for the present it centers upon the so-called backward countries with largely precapitalist social structures. (6) These backward countries are ripe for social revolution and now face the historical alternatives of proceeding more or less in accordance with the classical capitalist pattern or of skipping the capitalist phase and entering directly on the path to socialism.

Let us now analyze the position and role of the predominant capitalist power in this second stage of imperialism. For this purpose we must build upon the general theory of capitalism worked out by Marx and his followers during the last hundred years. This theory teaches that the more developed and productive a capitalist system is, the sharper will be the internal contradictions which beset its further development. Now the contradiction which comes increasingly to the fore in a very advanced capitalist country like the United States is that "between the limitless striving for expansion of production, which is the very essence of capitalism, and the restricted consumption of the masses."² This contradiction drives an advanced capitalist system toward what Kautsky called "a state of chronic depression."³ In the case of the United States, moreover, the tendency toward chronic depression is a good deal more than a theoretical deduction from the general principles of capitalism. For the whole decade of the thirties, unemployment never fell much below 10 million and it probably averaged more than one-quarter of the labor force. If it had not been for the war and subsequent developments which we shall discuss in due course there is every reason to suppose that the history of the forties would have been essentially the same. In other words, nothing in the whole field of political economy is better supported, both theoretically and empirically, than the deep-rooted *tendency* of the American capitalist economy to a state of chronic depression. And it is this tendency, I believe, which supplies the key to an understanding of the present stage of imperialism.

The existence of a tendency, of course, does not mean that it

2. Lenin in Chapter 1 of *The Development of Capitalism in Russia*.

3. *Die Neue Zeit*, 20th year, Vol. 2, p. 141.

will always be directly observable in reality. Objects have a strong tendency to fall, and yet airplanes stay aloft. The fact of flight does not negate the law of gravity; on the contrary, it can be explained only by a theory in which the law of gravity holds a central position. Analogously, advanced capitalism has a strong tendency to chronic depression, and if it is not always in a state of depression that fact wants explaining in terms which take full account of the underlying laws of capitalism. It is necessary to insist on this point, to keep it always in the forefront of our consciousness. To ignore it or to lose sight of it, as bourgeois economics consistently does, is to renounce hope of any but a strictly limited and partial understanding of present-day capitalist reality.

It is obvious—and probably would not be denied by anyone—that if the predominant capitalist power actually got into a state of chronic depression and remained there, world capitalism would rapidly disintegrate. How to counteract the tendency to chronic depression, therefore, is a life-and-death problem for capitalism, and the responsibility for solving the problem falls squarely on the shoulders of the ruling class of the predominant capitalist power. It is thus not surprising that this responsibility increasingly dominates the policies and the ideologies of that ruling class, and indirectly but powerfully influences the policies and ideologies of its subordinates and allies.

In what ways can the tendency to chronic depression be counteracted?

First, of course, it could, as far as abstract logic is concerned, be counteracted by sweeping social reforms: drastic redistribution of income, vast increases in socialized consumption, far-reaching planning of the utilization of productive resources. This is the course advocated by liberals in America and by Social Democrats in Europe. Needless to say, however, it is entirely alien to the purposes and intentions of the American capitalists, and it just happens that they and not American liberals or European Social Democrats have the responsibility for saving world capitalism. This is not to say that American capitalists are against all social reform. Like Bismarck, they are perfectly willing to make concessions when it seems in their interest to do so; to adapt the old saying about fighting fire with fire, they are ready to fight social reform with social reform. But they have no use for social reform on anything like the scale that would be required to counteract the tendency to chronic depression in the United States. This, then, is not the way capitalism is being saved or ever will be saved.

Second, the tendency to chronic depression in the United States could be counteracted by sufficiently massive economic expansion abroad. It is important to recognize that for all practical purposes

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this means by a sufficiently large and sustained export of capital.⁴ In commodity terms, export of capital means an *excess* of exports over imports, and it is the size of this excess which is important from the point of view of offsetting the tendency to chronic depression. Exports which are fully paid for by imports merely bring about a change in the form of commodities and have no stimulating influence on the economy as a whole.

What are the facts with regard to export of capital from the United States in the postwar period? Is it true that this has been a major factor in sustaining the level of economic activity? On the whole, the answer must be in the negative. The latest authoritative study of United States capital exports shows that the total for the years 1946-48 was approximately \$3 billion, of which a third was reinvestment of profits by foreign subsidiaries of American companies and hence did not involve the actual transfer of capital from one country to another. Moreover, about three-quarters of the \$2 billion which did represent actual transfer of capital went into the petroleum industry (almost entirely in the Middle East and Venezuela) which could hardly go on absorbing capital at such a rate for very long.⁵ In other words, capital export in the postwar period has not been very large (less than 10 percent of domestic investment in plant and equipment) nor does it give indications of being particularly stable.

There has been a good deal of talk about increasing the outflow of capital from the United States in recent times, most of it centered around President Truman's famous Point Four program which is intended to facilitate and provide government guarantees for private investment abroad. But very little has actually been done in the way of implementing this program, and spokesmen for American capitalist interests have for the most part adopted a negative or hostile attitude toward it. *Business Week* of October 7, 1950, sums up the situation as follows:

Washington financial experts are blue about the future of
private U.S. investments abroad.

Since Korea, there's no more talk about U.S. business regularly investing \$1 billion a year overseas.

Two reasons are given for the lack of interest: (1) uncertain

4. Export of capital is "export of value which is destined to breed surplus value abroad. It is essential that the surplus value remain at the disposal of the domestic capital." Hilferding, *Das Finanzkapital*, p. 395.

5. The figures are from "Private United States Direct Investments Abroad," *Survey of Current Business*, November 1949. This periodical is an official publication of the Department of Commerce.

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conditions abroad; (2) attractive investment opportunities in the U.S.

Investment guarantees haven't much appeal any more—even among Washington long-hairs.

The Administration had planned to set the Export-Import Bank up in the guarantee business. But neither private investors nor Congress went along.

As for the ECA's guarantee program, it's turned out to be a complete fizzle. So far, only 22 industrial investments totaling \$22 million have been guaranteed. Originally, ECA set aside \$150 million for this job.

Of course this doesn't mean that there will be no export of capital from the United States in the future or that its promotion will cease to be a concern of the government. But it does mean that American capitalism has discovered what it considers to be a better way of counteracting the tendency to chronic depression, a way that circumvents the need for risky investments in countries that may not even remain capitalist for very long by creating—in *Business Week's* phrase—"attractive investment opportunities" at home.

There is no mystery about this method of creating attractive investment opportunities: it is simply to spend billions of dollars every year for armaments and for subsidies to other countries within the capitalist orbit. In the last two or three years, the amount so spent has been between \$15 and \$20 billion. Since the beginning of the Korean crisis it has been raised to an annual rate of approximately \$30 billion, and it is now being freely predicted that the figure will be stepped up to \$40 or \$50 billion in the near future. Armament and foreign-subsidy spending (the latter of an increasingly military character) of this magnitude undoubtedly does successfully counteract the tendency to chronic depression. It has the same effect on the reproduction process (though not, of course, on the people's standard of living) as a comparable increase in consumption would have. Capitalism's "limitless striving for expansion of production" is no longer kept in check by "the restricted consumption of the masses"; it is now spurred on and finds the conditions for its realization in the vast demand for weapons of destruction. Not only the armament industries themselves but also the basic industries which supply the materials and the equipment for the armament industries must be vastly expanded, and their expansion provides the "attractive investment opportunities" which are so dear to the capitalists' hearts. American capitalism has at last found its panacea in the creation of a permanent war-preparations economy.

It is not only the internal contradictions of American capitalism which are resolved by the war-preparations economy. The most baffling

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problems of the relations among the capitalist states of the world also yield to the same cure. It has become customary to sum up these problems under the general heading of "the dollar shortage." The dollar shortage arises fundamentally from the uneven development of the capitalist powers. The productivity of American industries is far ahead of that of the rest of the capitalist world which has come to rely increasingly on a great variety of American products. But this is a one-sided relationship; America does not need the products of the rest of the capitalist world to anything like the same degree. The rest of the capitalist world, in other words, is unable to sell to America enough to earn the dollars it needs to buy from America. In the years since the war, this gap has been made up by American government loans and subsidies which, however, were assumed to be mere temporary expedients. As long as this was so, the dollar shortage hung over the heads of these countries, and especially of the imperialist countries of western Europe, like the proverbial sword of Damocles, threatening them with future disaster and dictating the shape of their economic policies. But the stepping up of war preparations in the United States since Korea has removed the dollar shortage from the realm of practical problems. For one thing, military subsidies are expanding and are sure to expand further; for another, United States arming involves the purchase of vastly increased quantities of raw materials, and this in turn pours dollars into the coffers of the other capitalist powers, principally via their colonial dependencies. A recent editorial in *Business Week* (August 19) expressed the obvious relief and satisfaction of the capitalist world when it said: "The Korean crisis created many new problems, but it is relegating an old one—the dollar gap—to the background."

The war-preparations economy is thus seen to be capitalism's answer to the tendency to chronic depression, its alternative to more or less rapid disintegration from within. But war preparations cannot be undertaken without some reasonably definite purpose. At one time the capitalist powers armed against each other, but it is obvious today that the United States has little to fear from its erstwhile capitalist rivals. Hence a substitute enemy is required, and history has conveniently provided it in the shape of the increasingly powerful socialist world. Here we have one of the crucial distinguishing characteristics of the latest phase of capitalism: the decisive struggle is no longer among the capitalist powers but between the capitalist world as a whole and the socialist world as a whole.

One of the most noticeable features of this struggle between world capitalism and world socialism is the tendency on each side to interpret the motives and behavior of the other side in terms of traditional imperialist conflict. To the capitalist the socialist world

appears as nothing but the Soviet Empire which the masters of the Kremlin are bent on expanding to global dimensions; while to the socialist it seems that the United States has simply embarked on a course of world conquest, that the armaments which are being piled up in such vast quantities can have no purpose but the limitless subjugation and exploitation of other peoples. It falls outside the scope of this article to discuss the fallacies inherent in the capitalist view of the socialist world, but the common socialist interpretation of American policy as a policy of world conquest has a crucially important bearing on our subject.

We are not really concerned in this connection with conscious motives. There may be some Americans who dream of world conquest, but they are not very numerous nor are they representative of the American ruling class. It is for this reason, incidentally, that the overwhelming majority of Americans of all classes remain unaffected by propaganda which seeks to portray their country as an aggressive power after the manner of Hitlerite Germany. Such propaganda evokes no response from their own experience, and they therefore reject it out of hand. But this is not the point. Conscious motives may reflect real strivings—as they did to a surprising degree in the case of German and Japanese aggression, for example—but they need not. We can perhaps get at the real issue by asking a question: does the idea of American domination of the world make any sense in the present historical context? If it does, then it would certainly be rational to assume that world domination is in fact the real, even though unconscious, goal of the American ruling class. But if it doesn't make sense, how can we say that the American ruling class is objectively striving to reach it?

It seems to me clear that the idea of American world domination does *not* make sense. From a long-run historical point of view, world capitalism is clearly on the defensive. World socialism is spreading—not through Soviet aggression, of course, but because the inevitable social revolution in the backward countries is increasingly taking the socialist as opposed to the capitalist path. This is essentially an irreversible process. A backward country which has gone through its social revolution could undoubtedly be militarily occupied by American forces, but it could never be pacified and subjected to profitable economic exploitation. And as for conquering countries like China and the Soviet Union, it could never be done in any other sense than that of waging a perpetual war on their territories. Even a military occupation would be entirely out of the question.

But if world conquest is not the real aim of the American ruling class, what is? The answer, I think, is fairly simple: the American

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ruling class is trying to hold the world capitalist system together and to prevent any further defections from its ranks. This is an aim which corresponds to the realities of the present historical epoch. It is, moreover, an aim which is entirely consistent with the essentially negative and confused ideology of the American ruling class. And finally, it is an aim which we can rationally relate to observed American policies. The maintenance of the world capitalist system requires, first, that the tendency to chronic depression in the United States itself should be effectively counteracted; and second, that a huge "police force" should be held in constant readiness to put down revolutionary movements in any country which shows signs of renouncing capitalism and joining the growing socialist world. The war-preparations economy serves both of these purposes. The capitalists, of course, justify—as much to themselves as to others—the war-preparations economy as necessary to defend the "free" world against the aggressive threats of "Communism." In form, if not in content, this justification closely mirrors reality: they have merely transformed capitalism into freedom, and the spread of socialism into the aggressive threats of Communism.

Let me hasten to add that this analysis does not imply that the United States is unlikely to initiate any but "small" counter-revolutionary wars. A large military machine in a capitalist society tends to acquire a certain measure of independence, to develop a professional interest in waging war, and to acquire influential allies and spokesmen in certain sectors of the ruling class. Such a process is now under way on an unprecedented scale in the United States. It is here that we should seek the roots of all those ominous tendencies which can be summed up as the doctrine of preventive war. The danger is very real and will in all probability grow with the military machine itself. But it is important to understand—if only because understanding is the basis of effective opposition—that the doctrine of preventive war does not arise directly and spontaneously from the interests of American Big Business. The more sober spokesmen of the ruling class—people who are in no sense opposed to the war-preparations economy in general—are fully aware that it is a doctrine which, if put into practice, would result in irreparable disaster for world capitalism.

To sum up: The American ruling class is now thoroughly committed to the war-preparations economy as the only possible method of maintaining world capitalism. The way the method works is, first, by counteracting the deadly tendency to chronic depression at the center; and, second, by supplying an enormous force to police the periphery. Policing the periphery, of course, means instant readiness to wage counter-revolutionary war against any and all peoples who show an inclination to break away from the capitalist orbit. But this

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is not the only kind of war threat which the set-up generates. As the military machine grows it gives birth and nourishment to the doctrine of preventive war, a doctrine which has fatal implications alike for world peace and for world capitalism.

This, I believe, is a reasonably accurate sketch of the main outlines of the problem with which the international peace movement must deal if it is to succeed.

Things economic and social move by their own momentum and the ensuing situations compel individuals and groups to behave in certain ways whatever they may wish to do—not indeed by destroying their freedom of choice but by shaping the choosing mentalities and by narrowing the list of possibilities from which to choose. If this is the quintessence of Marxism then we all of us have got to be Marxists.

—Joseph A. Schumpeter

When the rich assemble to concern themselves with the business of the poor, it is called charity. When the poor assemble to concern themselves with the business of the rich, it is called anarchy.

—Paul Richards

FREEDOM UNDER SOCIALISM

BY HOWARD KAMINSKY

Ideas are usually subjected to the most rigorous analyses when men find that they must suffer for holding them. In our time, as the struggle for progress sharpens, many socialists have been undergoing crises of doubt and soul-searching and, as we know, not all have come through honorably. But no matter how these crises are resolved by each individual they usually have a quite legitimate beginning in the recognition that every socialist is responsible not only for the moral content of his ideals but also for the action they demand and the results they imply. It was along these lines that I myself, a couple of years ago, began to think critically about those socialist principles which I had been holding for the past six or seven years, if not blindly at least without ever having come to grips with the possibility that one or two kernels of truth might be embedded in the propaganda of the class-enemy.

Different people are disturbed by different things; I had always found the problem of freedom to be the knottiest. I could never really explain, either to myself or to others, the undeniable fact that in America it is both legal and possible to oppose the government, while in the Soviet Union it is not. This difference between the two societies is now being ironed out by our own reactionaries, but it was and to a degree still is a striking one, and I was never able to use all the circumlocutions and subterfuges that many socialists slip into when confronted by it. Since the very soul of our society is the freedom to think as one wishes, and since this freedom is not characteristic of the only actually existing socialist societies—in the Soviet Union, the countries of Eastern Europe, and China—I found it impossible to think of socialism as essentially a perfection of the civilization created by capitalism. And yet it was in just this way that I had been thinking about socialism, which I had come to regard as a way of eliminating all the evils of the present while preserving everything I had been accustomed to value and love in bourgeois civilization.

I suppose similar doubts have been experienced by every mature socialist. But the resolution of such doubts can take a variety of forms. Trotskyites, for example, simply insist that the Soviet Union is not socialist, reserving that blessed label for some future society to be

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created by a future revolution, just like that of 1917 except that nobody with the name of Stalin will be present. Social Democrats also reject the Russian example as a loathsome abortion; they can create, or at least visualize, a society that will please everyone, with all the advantages of collectivization but with all the attractive irresponsibility and social looseness of the bourgeois order. Many Communists take refuge in the practice, as simple as it is stupid, of rejecting or suppressing all criticism of the Soviet Union without in any way coming to terms with such criticism; others, with more highly-strung consciences, excuse the "purges" and "concentration camps" as regrettable but necessary, temporary expedients—a line of argument which satisfies no one and throws no light on the real nature of the institutions under attack. None of these answers, in my opinion, is acceptable, since in none of them do we find that acceptance of a problem *as a problem* which alone makes possible a solution.

I therefore felt the need, at the time of which I speak, to resolve what I then considered to be the problem of what happens to freedom under Socialism, on a basis of objective reality, not of blind faith or of wishful thinking. I was not prepared to accept capitalism, but I was tired of arguing with more or less enlightened friends about what socialism ought to be. Socialism *exists*, or is actually being built, in those countries which have converted the means of production from private to public property; the creation of the new society is in all cases taking place on the basis of that particular Marxist tendency created by Lenin and further developed by Stalin. No matter what sort of socialism we want, this is the socialism we shall get once we manage to abolish, in America, the exploitation of man by man. And it follows that, no matter what kind of freedom we might like, the type of freedom we are all working for as socialists can only be that type of freedom actually existing or being created in the socialist world today. It seemed to me that the only way to find out what this freedom was would be to study a socialist society at first hand.

Since I was a graduate student in history, it was not too difficult to arrange for a year of study in Europe. I decided that Czechoslovakia, because of its famous Charles University and because of its exceptional position as the most advanced of the new socialist countries, would offer me the best opportunity to combine study in my own field with general observation of emerging social patterns. The Czechs, showing no interest in my politics, allowed me to enroll in the University (which is free) and assigned me a dormitory room at a cost of \$5 monthly. Since food is correspondingly cheap, I was able to spend a whole year in Prague for extremely little; what is just as important, I could go anywhere and talk to anyone with not the slightest restriction on my movements. I was eager to find out what

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the people thought of the new society, and to this end I associated with people of every viewpoint, from the most ardent Communists to embittered intellectuals who wanted a war as quickly as possible, with America dropping atom bombs on as many Russian cities as possible. None of this, of course, guarantees the validity of the conclusions I reached, but it may serve to show that at least I had ample opportunity to base these conclusions on first-hand observation.

It is often said that the truth lies somewhere in the middle of all conflicting positions. This cliché is actually a liberal vulgarization of the dialectical principle that every statement about reality embodies something of the true and something of the false. Thus, when apologists for capitalism accuse socialists of subverting the foundations of civil liberties, they are not totally wrong; and when Soviet spokesmen say that humanity is achieving new heights of freedom in the USSR, they too are touching on the truth. The revolution which establishes the foundations of a socialist society is a great creative act, making possible (and necessary) the creation of a new economy, new social forms, and a new culture, all finding expression in a new freedom. But this same revolution is also an act of terrible destruction, negating in its entirety the way of life of capitalism, including its specific freedom. Since the relationship between the two systems and the two freedoms is one of revolution, capitalist freedom—attractive as it may be to many socialists—finds in socialism not an extension or perfection but rather an implacable enemy, pledged to supersede it. In Czechoslovakia it was possible to see how this double character of revolution works itself out in practice, to the utter confusion of all—Czechs and foreigners—who cannot comprehend *both* sides of the dialectic. When one of your friends tells you he is living under a tyrannical despotism, and his roommate tells you *he* enjoys utter freedom, you find yourself forced to find some way of believing both: it is, in fact, only when you understand precisely how each is speaking the truth that you have achieved understanding of what the new society is and of what its freedom is.

* * *

Before discussing the concrete character of socialist freedom, it may be helpful to take a look at what was (for me at any rate) a major obstacle in the path of understanding the true state of things. I have argued that the freedom of any society is an expression of the specific way of life of that particular society. Many socialists (including, at one time, myself) and all liberals reject this notion in favor of just plain "Freedom," with a capital "F." Such "Freedom" is thought of as transcending any given society, while being the measure of all of them: it is an abstract "Freedom," identified with the absence of compulsion or control, and consisting in the right of the individual

to do what he wants, say what he wants, and believe what he wants, with no reference to the specific character of these wants, admittedly various throughout history. The comparison between socialism and capitalism, on this basis, becomes a consideration of which society affords the individual more of this "Freedom." The answer is obvious, and socialists fool only themselves when they try to identify the collectivist civilization of socialism with the idea of "Freedom" in this sense.

But is this "Freedom" a transcendent, absolute value for all societies? Let us re-state this problem as the moral issue it really is: Should men desire, and seek to establish as social reality, the freedom of each individual to believe anything he likes? And let us remember, bourgeois "Freedom," except in extreme cases, cannot distinguish between different views on the basis of their rightness or wrongness. The man who hates his neighbors can propagate his ideas just as well as the man who preaches brotherly love—even better, if he is wealthier or has readier access to a publisher. The only evil acknowledged by such "Freedom" is compulsion, the only good, absence of compulsion. Individuals have full permission to continue humanity's age-old quest for positive moral values and truths, but men in society have no right to give social life and validity to the values and truths they have found, since this would involve prescribing for others. This "Freedom," with its impotence of judgment in the face of any positive definition of good and bad, certainly cannot be considered an absolute value for all societies, unless we are prepared to seek absolute values in the sphere of pure negativism. Men have never fought for such "Freedom" but, rather, have always struggled to give life to specific visions of what is right and good. The greatest men who have dealt with these problems—the writers of the Old Testament, Plato, Jesus, Paul, Augustine, Aquinas, Luther, Kant, to mention some of the most outstanding—have always set prime value on knowledge of the True and the Good, never defining freedom as in any way compatible with moral ignorance. For them, the free individual is he who knows the Good and acts on the basis of his knowledge, the free society is one established according to good and true principles.

But perhaps an even better test of the universal validity of the liberal concept of "Freedom" is to try to use it practically, as a way of understanding the historical tradition in which we have our being. If we make the test, we shall at once see that this principle does illuminate the essence of *one* civilization, that of capitalism. The freedom of private enterprise, the free contractual relation between man and man, the explicit guarantees of freedom from certain kinds of compulsion written into the constitutions of the bourgeois era, the central themes of bourgeois literature and art—all these are expressions and

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embodiments of the fundamental principle we are considering. But the case is very different when we attempt to use this bourgeois "Freedom" in studying the pre-capitalist civilizations of the past. We find that we can deal with these cultures only negatively, seeing good in them only to the extent to which they *failed* to achieve integration around their *own* values and ideals. The expression of these values and ideals in institutional forms—for example, the Roman Empire, the Papacy, the feudal system, the absolute monarchies—is seen, in each case, as an obstacle to the main endeavor of human history—the struggle to attain pure "Freedom."

This liberal view of history has to a large extent been overcome by historians who insist upon studying any particular era of the past for its own sake and in its own terms. But when the object of study is not the pre-capitalist past but the post-capitalist future, then the liberal view reigns almost unchallenged, dominating the thinking of reactionaries, liberals, and socialists alike. "Freedom" is found to be almost wholly on the side of capitalism; on the other side there can be, by definition, only un-Freedom. The essence of Soviet civilization—the expression of socialist ideals in social and cultural institutions—is not evaluated for its own sake but is assigned a purely abstract, negative value, the degree of "tyranny" depending on the efficiency with which the ideals are expressed.

The limitations of the liberal view, as described in the above paragraphs, first became obvious to me as obstacles to a just understanding of the past. I could see that "Freedom" is really bourgeois freedom, the expression of only one of the social forms in which man has sought happiness, created values, and achieved insights into the truth. But only after I had lived in a socialist society was I able to comprehend the *reality* of a civilization that rejected every basic value of bourgeois society and yet was able to create others, even more suitable for men of our time. As a Marxist and as a socialist, of course, I had always accepted the concept of socialism as the supplanter of capitalism, but the difference between acceptance and understanding is very great.

* * *

Once one has realized that pure "Freedom"—the abstract "Freedom" *from* prescribed norms—is really nothing but the specific freedom of bourgeois society, one will no longer consider the problem of freedom under socialism as involving *this* "Freedom." One will, instead, regard socialist freedom as expressing the essence of *socialist* society, and one will seek to understand this essence by understanding the revolution which created it. Certain characteristics of this revolution as a negation of capitalism have already been touched upon; let us now consider its creative, positive aspect. The primary act of

the revolution—the proclamation of the end of private ownership of the economy and the institution of public, social ownership—is not merely the outcome of some arbitrary, and hence debatable, doctrine. It is the answer to the constant wars, crises, food-burning, hunger, unemployment, insecurity, cultural decay, and all the other features of capitalism which have made the world, at various times and in different places, a hell for the masses of people. As humanity's answer to humanity's problems, the revolution and the subsequent creation of socialism are historically necessary and represent the great Truth of our time. The only possible foundation for freedom, today, is the recognition of this truth, which can be objectively investigated and known. Marxist theory, as practiced in the existing socialist countries, says—in line with the precepts of the great moral teachers of the past—that *apart from knowledge of this truth there can be no freedom except the freedom to err*, and that such error, while it may be (and is) tolerated, has no valid claim to be "freely" propagated.

But the revolution itself does not create the new society; it merely implies it, posing its creation as a task for many generations to come. At the present stage of development, the actual character of freedom under socialism, based as it is on the knowledge of the revolution as a great step forward for humanity, lies in the possibilities and opportunities afforded by the new society for the creation of a new cultural integration. It is by taking advantage of these opportunities that men in the world "behind the iron curtain" express their freedom. But such freedom—and I believe it is the greatest man has yet won—cannot belong to those who for one reason or another are opposed to the workers' powers; such people are unfree because they are unable to express their aspirations and are simply dragged along by the forward movement of their whole environment. One of the great battles in the new socialist countries is that being fought to win these elements for socialism and for freedom, and it is being fought not with the lash and the knout but by education and propaganda.

Perhaps it is now possible to understand how both of my friends, the one who said he was utterly free and the one who said he was utterly unfree, could be speaking the truth. The significant thing, however, is not that there are people in Czechoslovakia who feel the regime to be a tyranny, but what happens to those people. As the society develops, they find themselves willy-nilly swept up into it: the anti-Communist student will draw a stipendium from the government which takes care of all his expenses; the anti-Communist peasant woman will make use of the new village washing machine alongside her Communist neighbors; the anti-Communist worker will take advantage of wage increases and free vacations. The tremendous dis-

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cipline necessitated by the creation of a new life is to a large extent forced on the people, but the many benefits of socialism are enjoyed voluntarily. Every day, individuals are recognizing the relation between the benefits and the discipline, and *by this act of recognition* are emerging into the realm of freedom. I have seen this happen; it is a slow process but it is the most important one now going on in the new socialist countries, for it, and not secret police or concentration camps, is the only true guarantee against counter-revolution.

We must, of course, remember that these new socialist countries are at present *on the way* to socialism and that the education, discipline, and downright compulsion which they practice are especially characteristic of a transitional period. What lies at the end of the road? We may be sure that freedom in a socialist society can never exist except on the basis of those ideals, values, and organizing principles which are being created and established in socialist countries today. But we may also assume that, as succeeding generations are brought up within the new culture, as the ideals and values come to be accepted not as novelties but as matters of course, the external forms of social discipline—so important today—will gradually lose their *raison d'être* and recede into the background, to be replaced by an autonomous expression of those values which they today enforce. We can then look forward to a true flowering of socialist civilization in the creation of art, philosophy, and science which will be significant for their intrinsic worth as expressions of human genius, and not chiefly for their tendentious efficacy, great as it will surely be. But these developments lie far in the future, and for us today socialism, together with socialist freedom, can signify only the actual conditions existing in those countries that are engaged in the hard work of creating the new society.

As an example and recapitulation of the entire argument, let us consider the condition of a worker under capitalism and under socialism. The creation of capitalist civilization as a negation of feudalism involved the expulsion of feudal ideals and values from all spheres of life. As a result, the ordinary citizen today accepts as a matter of course the "freedom" of the businessman, scientist, artist, worker—of everyone—to pursue his daily occupation for its own sake, without regard to higher values or to a higher "truth." The worker, because of the social and economic organization of capitalist society, is free only when he performs his work merely for pay, on the basis of a free, contractual relation with his employer and with no other tie to his job. If, on the basis of essentially the same economic and social organization, the worker is required to do his job "for the good of the state" or "to promote the glory of his race," then capitalist democracy has become fascism. But under socialism the position is

precisely reversed. All human activities have been brought back into a whole, each job having meaning in terms of the basic principles of the new society. Thus, although great emphasis is placed on wages and other material benefits in socialist countries, their press and cinema make it quite clear that labor is valued above all else not in terms of wages but as the unique means to the building of a better life for all. The worker who recognizes the truth that his labor is part of a great collective endeavor has almost unlimited opportunity to express himself and to participate in the realization of his ideals. But this opportunity lies *beyond* the cash nexus: it is precisely in the field which is closed to the worker under capitalism (if he wants to stay free) that the socialist worker expresses his freedom.

Such a socialist worker can, for example, participate in the formulating of the economic plan for his factory or region; he not only can but is urged to participate in checking up on its fulfillment. He is expected to read the newspapers and to make his opinions known through them; similarly, films and plays, embodying all the loftiest aspirations of the working class, are subject to the harshest criticism the workers care to make about any flaws they may have. His labor can be dedicated to specific objectives—pledges to heighten output for a certain period in honor of a national holiday or of Stalin's birthday are common occurrences. And, in different forms and on different levels, similar opportunities are open to students, intellectuals, and office-workers; these, in addition, can devote a certain period of direct manual labor to the building of the country.

That these "opportunities" strike many of us as onerous burdens is, of course, no accident. Such a way of life and such a discipline in all fields of work—intellectual as well as manual—could signify only tyranny in a capitalist society. But they are part of the very nature of socialism and of freedom in a socialist society. Freedom, after all, finds its negation not in social obligations as such, but only in obligations based on falsehood and evil. There is nothing evil in the idea of working for the good of the community; on the contrary, it is a particularly exalted idea, and the awareness of this fact is every day becoming more widespread among the citizens of the socialist states.

In conclusion, let me stress what seems to me the most important lesson of all, that socialism can be understood only as a way of life established by a revolution against capitalism. For socialists, this fact has very serious implications, even though the "revolution" referred to is not necessarily a matter of violence and bloodshed. In point of fact, it is only when the concept of revolution is stripped of the concrete imagery usually associated with it—the loaded tumbrils rattling along bloody streets to the busy guillotine, the wanton destruction wrought by the inflamed mob, and so on—and given its

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proper philosophical and historical content, that its terrifying significance becomes fully evident. For, no matter how good an argument may be put up in favor of one or another variety of hodge-podge "socialism," in which all the "good" things of capitalism—including its "Freedom"—are preserved, with the "abuses" and "injustices" smoothed out, it is clear that history will cut these arguments short without even listening to them. Socialism is actually being built, and the truth about its way of life is subject to study and cognition. If a man wants to call himself a socialist today, he will have to oppose his intellectual perception of social truth to all the emotions, ideas, prejudices, likes and dislikes that make him a citizen of a capitalist society. The tension cannot, of course, be resolved as long as capitalism continues, but it must be recognized and accepted, so that the socialist knows that what he is fighting for is a direct negation of what he *is*.

If there is no struggle, there is no progress. Those who profess to favor freedom, and yet depreciate agitation, are men who want crops without plowing up the ground. They want rain without thunder and lightning. They want the ocean without the awful roar of its many waters. This struggle may be a moral one; or it may be a physical one; or it may be both moral and physical; but it must be a struggle. Power concedes nothing without a demand. It never did, and it never will. . . . If we ever get free from all the oppressions and wrongs heaped upon us, we must pay for their removal. We must do this by labor, by suffering, by sacrifice, and, if needs be, by our lives, and the lives of others.

—Frederick Douglass

MONTHLY REVIEW

MOURN NOT THE DEAD

*Mourn not the dead that in the cool earth lie—
Dust unto dust—
The calm, sweet earth that mothers all who die,
As all men must;*

*Mourn not your captive comrades who must dwell—
Too strong to strive—
Each in his steel-bound coffin of a cell,
Buried alive;*

*But rather mourn the apathetic throng—
The cowed and meek—
Who see the world's great anguish and its wrong
And dare not speak!*

—Ralph Chaplin

"FREE ENTERPRISE" DEPARTMENT

The extent of concentration of economic power in the rubber tire and tube industry in 1947, as shown in the recently published Report of the Federal Trade Commission "The Concentration of Productive Facilities."

Rank	Company	Percent of net capital assets owned by each corporation	Cumulative percent owned
1.	Goodyear Tire and Rubber Co.	27.8	27.8
2.	Firestone Tire & Rubber Co.	22.1	49.9
3.	United States Rubber Co.	20.4	70.3
4.	B. F. Goodrich Co.	18.0	88.3
5.	General Tire & Rubber Co.	2.9	91.2
6.	Dayton Rubber Co.	1.3	92.5
7.	Seiberling Rubber Co.	1.1	93.7
8.	Lee Rubber & Tire Co.	1.1	94.8

(continued from inside front cover)

needless to say, be delighted to have continuing support of this kind, and we ask our readers to give it serious consideration in deciding what they can do to help.

There are two other matters which we want to bring to your attention in connection with the Memorial issue. First, as you can imagine, the costs of an issue of 160 pages were several times as high as those of a normal issue. We did not want to charge extra to subscribers or regular newsstand or bookstore buyers, but we think it only fair that additional copies should sell at a price that will help to make up the heavy deficit that the Memorial has occasioned. Hence from now on the price of the Memorial issue (Vol. II, No. 6) will be \$1 per copy. Second, as many of you will have noticed from the advertisement on the inside back cover of the Memorial, Henry Schuman, Inc., is bringing out on November 21 the whole issue in a regular trade edition. The price will be \$2.50 and all royalties will go to MR. At the request of the publishers, a brief biographical sketch of Matthiessen has been added to the material which appeared in MR. Some of our readers will no doubt want to own the Memorial in this permanent form, and we think that many will find it an ideal Xmas gift.

And speaking of Xmas gifts, we want to remind you that our combination subscription-and-book offer gives you a chance to contribute toward keeping MR alive, while at the same time helping to solve your gift problem. For only \$4 you can give a subscription to one friend and a book to another. We are enclosing a blank which gives the particulars and allows you to write out the gift inscriptions in your own handwriting.

Requests for the Korea article (from the August issue) are still coming in. We have just printed 3,000 more, bringing the grand total to 23,000. We will meet requests as long as the present supply lasts, but we have already killed the type and will not reprint again.

Quite a number of readers have written us suggesting that we reprint "Sound the Alarm!" (From the September issue) as a separate pamphlet and make it available as we did "Korea." Scott Nearing, in the Fall 1950 number of his excellent quarterly commentary on international affairs, *World Events* (\$1 a year, 125 Fifth St., N.E. Washington 2, D.C.) said of "Sound the Alarm!" "Nowhere have I read a clearer, simpler, more convincing" editorial. We are glad to say that reprints of this piece are now available at a price of 10c apiece, 20 for \$1. This will, of course, be a strictly first-come-first-served deal, so if you want copies of "Sound the Alarm!" send in your order, along with cash or stamps, right away.

A Rochester (N.Y.) subscriber would like to meet for discussion with other MR readers in his area. Those who are interested can send us their names and addresses and we will see that they reach the subscriber in question.

In this issue we publish an article on "Freedom Under Socialism" by Howard Kaminsky who recently spent a year in Czechoslovakia and is now doing graduate work in history at the University of Chicago. The subject seems to us to be not only among the most controversial and important facing American socialists; it is also among the least adequately studied and analyzed. We intend to have something to say about it ourselves, perhaps in the next issue, and we invite discussion from readers.

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—CEDRIC BELFRAGE,
in the *National Guardian*

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